



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

July 23, 1998

S. 361

Rhinoceros and Tiger Conservation Act of 1998

*As ordered reported by the Senate Committee on Environmental and Public Works
on July 22, 1998*

SUMMARY

Assuming appropriation of the authorized amounts, CBO estimates that enacting S. 361 would result in additional discretionary spending of \$12 million over the 2001-2003 period. The legislation could affect direct spending and governmental revenues by imposing new civil and criminal penalties; therefore, pay-as-you-go procedures would apply. CBO estimates, however, that any such effects would be minimal. S. 361 does not contain any intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would have no impact on the budgets of state, local, or tribal governments.

S. 361 would prohibit any person from selling, importing, or exporting products containing (or labeled as containing) any substance derived from rhinoceroses or tigers. S. 361 would establish both criminal and civil penalties to be imposed on anyone who violates the prohibition. The bill's provisions relating to the use of proceeds from fines and penalties would be similar to those of the Lacey Act, which currently prohibits sales, imports, and other transactions involving endangered species. The bill would direct the Secretaries of the Interior, the Treasury, and Transportation to enforce the legislation in the same manner as they enforce the Endangered Species Act of 1973. Section 6 would direct the United States Fish and Wildlife Service (USFWS) to develop and implement an educational outreach program in the United States for the conservation of rhinoceros and tiger species.

Finally, S. 361 would reauthorize, through fiscal year 2002, annual appropriations to the Rhinoceros and Tiger Conservation Fund at the existing authorization level of up to \$10 million. The current authorizations expire after fiscal year 2000. The Secretary of the Interior uses this fund primarily to help finance research and conservation programs overseas. From its inception in 1994, the fund has received appropriations totaling \$1 million.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The authorizations specified by section 6 are the same as the current authorization level but are significantly higher than the \$200,000 to \$400,000 that has been appropriated in each of the last few years. For purposes of this estimate, CBO assumes that the entire amounts authorized by the bill will be appropriated for each fiscal year through 2002. Outlay estimates are based on historical spending patterns for this program. The estimated impact on discretionary spending is shown in the following table. The costs of this legislation fall within budget function 300 (natural resources and environment).

		By Fiscal Year, in Millions of Dollars					
		1998	1999	2000	2001	2002	2003
SPENDING SUBJECT TO APPROPRIATION							
Spending Under Current Law							
Authorization Level ^a	b		10	10	0	0	0
Estimated Outlays	b		1	4	6	6	3
Proposed Changes							
Authorization Level	0		0	0	10	10	10
Estimated Outlays	0		0	0	1	4	7
Spending Under S. 361							
Authorization Level ^a	b		10	10	10	10	10
Estimated Outlays	b		1	4	7	10	10

a. The 1998 level is the amount appropriated for that year. The 1999 and 2000 levels are the amounts authorized under current law.

b. Less than \$500,000.

In addition to the discretionary costs shown in the above table, the bill also could affect governmental receipts (revenues) from civil and criminal fines. The direction of any change, however, is uncertain. On the one hand, revenues could increase if the sale and export of prohibited (or falsely labeled) items does not change and federal enforcement agencies are able to collect more fines under the broader language of the bill. On the other hand, revenues could fall if the bill induces some sellers and importers to curtail their activities. In either event, CBO estimates that any increases or decreases in revenues would be less than \$500,000 annually. Moreover, such changes would be offset by decreases or increases in direct spending from the crime victims fund (where criminal fines are deposited) or the resource management account of the USFWS (where civil fines are deposited and spent).

PAY-AS-YOU-GO CONSIDERATIONS

The Balanced Budget and Emergency Deficit Control Act specifies pay-as-you-go procedures for legislation affecting direct spending or receipts. Although enacting S. 361 would affect both direct spending and receipts, CBO estimates that the amounts involved would be less than \$500,000 annually.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

S. 361 contains no intergovernmental or private-sector mandates as defined in UMRA because the bill would impose no new enforceable duties. The bill's prohibition on the sale, import, or export of certain products containing or claiming to contain any substance derived from rhinoceroses or tigers would facilitate the enforcement of existing prohibitions on such activities. The bill also would have no impact on the budgets of state, local, or tribal governments.

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